



3. At a hearing in this matter, held on January 17, 2008, the petitioner did not disagree with any of the Department's determinations regarding her income. The problem is that when the petitioner was employed under the working disabled program, and her wages were partially counted in determining her Social Security benefits, and the applicable net income maximum was over \$2,000 a month. When the petitioner stopped working, the increase in her Social Security benefits only partially replaced the loss of her earned income. However, despite the fact that the petitioner's *total* monthly income *decreased* significantly when she lost her job, the applicable income maximum dropped to \$858 a month.

ORDER

The Department's decision is affirmed.

REASONS

The Social Security and Medicaid programs contain provisions providing considerable monetary incentives to encourage disabled individuals to work. The flip side of those incentives, however, is that the *loss* of such earnings are only partially offset by an increase in Social Security

benefits, and an individual's Medicaid eligibility is then subject to a drastically lower income maximum.

Categorical (as opposed to financial) eligibility for Working Disabled Medicaid is defined as: "Individuals with disabilities *who are working* and otherwise eligible for SSI-related Medicaid." W.A.M. § M200.24 (emphasis added). When the petitioner lost her job the Department correctly determined that she no longer met the above definition. She did remain *categorically* eligible for "regular" Medicaid because she continued to be disabled. However, even though her income had decreased she was no longer *financially* eligible for regular Medicaid until she meets her spenddown.<sup>1</sup> The petitioner's dismay at this result is understandable, especially since the loss of her job appears to have been involuntary on her part. However, inasmuch as it is clear that the Department's decision in this matter accurately reflected the source and amount of the petitioner's countable income, and her eligibility for Medicaid was determined in accord with the applicable regulations,<sup>2</sup> the Board is bound by law to affirm the Department's decision. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 17.

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<sup>1</sup> At the hearing the petitioner was advised what types of medical expenses qualify to be included in determining her spenddown.

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<sup>2</sup> See Procedures Manual § P-2420B(1).